



Lockstep Ventures
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April 25, 2022

VIA ELECTRONIC SUBMISSION

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549-1090

**Re: Private Fund Advisers; Documentation of Registered Investment Adviser
Compliance Reviews (SEC Release No. IA-5955; File No. S7-03-22 (February 9, 2022)).**

Dear Ms. Countryman:

Lockstep Ventures thanks you for the opportunity to comment on the Securities and Exchange Commission's proposed rules (the "Proposal") regarding investment advisers to private funds.

Lockstep Ventures is a diverse venture capital firm located in New York, NY. Founded in 2020, our venture capital firm seeks to address the issues that perpetuate racial inequality in the U.S. and empower systematic change while also working hand-in-hand with entrepreneurs to provide successful business formulas to provide a wide range of expertise to help execute, pivot, and fast-track a start-up's growth. Lockstep Ventures is committed to the investment philosophy of "Disparity to Prosperity" and targets companies that address racial disparities in health, wealth, education, and justice/recidivism.

The Lockstep Ventures story is just beginning, but it would not be possible without the private funds industry. Our team uses knowledge of industry to identify sectors with tremendous growth opportunities in America. Lockstep is an example of how diverse organizations with unconventional thinking can support the American dream and lift others in the process. For this reason, we believe that the SEC's newly proposed rules are detrimental to emerging fund advisers and the goals of the Biden Administration to support the flow of capital to justice involved, undercapitalized founders.

As a small firm, we believe the Proposal would unnecessarily burden our firm and other emerging private fund managers who do not have the in-house capacity to review and respond to



each of the proposed rules. Further, the Proposal would hurt investors if preferential treatment rules were eliminated, thereby destroying our ability to keep or attract certain investors.

Other concerns include the prohibition of after-tax clawbacks, which will require fund managers to revisit all clawback calculations for existing funds to adjust any clawback amounts due to investors. If the risk of tax liability were to be unduly placed on the general partners, this would negatively impact our ability to uphold our committed portion of carried interest to supporting organizations dedicated to the successful reentry of returning citizens. Lastly, the prohibition of certain fees and expenses and the requirement to obtain fund audits also make it more difficult for our firm to comply.

The issues mentioned above are not an exhaustive list of our concerns. Rather, a response upon an initial review of the Proposal. We hope that this letter is helpful to the Commission as it reconsiders this important Proposal.

Respectfully submitted,

Marcus Glover
General & Managing Partner
Lockstep Ventures